

October 13, 2010

ITEM NO. B4

**REQUEST AUTHORIZATION TO EXECUTE A HOUSING ASSISTANCE PAYMENT
(HAP) CONTRACT FOR NUESTRO HOGAR**

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners approve the attached Resolution authorizing the Chief Executive Officer or his designee to execute a Housing Assistance Payments (HAP) contract for 8 of 31 units at Nuestro Hogar, an affordable housing development for families owned and operated by Bickerdike Redevelopment Corporation.

FUNDING SOURCE

N/A

EXPLANATION

Nuestro Hogar

Nuestro Hogar consists of 31 units located in two existing multifamily buildings in the Humboldt Park community: an 18 unit building at 3655 W. Wabansia and a 13 unit building at 4101 W. Kamerling. Both buildings were rehabilitated in 2002 by the Bickerdike Redevelopment Corporation and contain a mix of 2 and 3 bedroom units in 3-story brick walkups. The properties are located near transit and major commercial corridors of North Ave., Grand Ave., and Pulaski Street. Other neighborhood amenities include the McCormick YMCA and Humboldt Park.

The developer is Bickerdike Redevelopment Corporation, an Illinois not-for-profit corporation, experienced in owning, developing and managing affordable housing. Over the past 42 years Bickerdike has developed more than 1,000 units, including 867 affordable rental and co-op units with an additional 169 new units in development. Bickerdike has won numerous local and national awards for its affordable housing development and preservation work.

The Chicago Housing Authority (“CHA”) will provide Property Rental Assistance subsidy for 8 of the 31 units at Nuestro Hogar. These properties were selected and recommended by the Regional Housing Initiative.

Background on RHI:

The Regional Housing Initiative (“RHI”) is an Intergovernmental Agreement (“IGA”) between the CHA, the Housing Authorities of Cook County, Lake, McHenry, Joliet and Waukegan, the Illinois Housing Development Authority and the Metropolitan Planning Council to pool project based vouchers in order to establish project based developments. The Board Resolution approving the IGA was passed on February 19, 2002. The goal of RHI is to promote attractive

mixed income housing development that meets community and regional needs, with particular focus on locations near jobs and public transit, designed to enhance efficiency and long term strong management. CHA agreed to enter into the IGA with the other participating parties in order to create additional rental units in opportunity areas for Housing Choice Voucher (“HCV”) applicants.

All participating Public Housing Authorities (“PHAs” or in the singular “PHA”) have the ability to refer potential tenants to RHI assisted units. The RHI establishes a panel to recommend acceptable sites for development then forwards the potential project to the Lead Housing Authority (“Lead”) for approval. The Lead is the housing authority in the jurisdiction of the site location. Upon approval of the site, a Housing Assistance Contract (“HAP”) will be executed for the maximum allowable term.

Based on the foregoing, it is recommended that the Board of Commissioners approve the attached Resolution authorizing the Chief Executive Officer or his designee to execute a Housing Assistance Payments (HAP) contract for 8 of 31 units at Nuestro Hogar, an affordable housing development for families, in accordance with the RHI program, subject to any HUD approvals.

RESOLUTION NO. 2010-CHA-127

WHEREAS: the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated October 13, 2010 entitled "AUTHORIZATION TO ENTER INTO A HOUSING ASSISTANCE PAYMENT (HAP) CONTRACT FOR NUESTRO HOGAR"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT: the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a Housing Assistance Payments (HAP) contract for 8 of 31 units at Nuestro Hogar, an affordable housing development for families, in accordance with the RHI program, subject to any HUD approvals.

